(b) Sick units are monitored by financial institutions. The lead institution, for any particular unit, deals with problems faced by the sick units and evolves a rehabilitation package wherever a unit is found to be potentially viable, in consultation with other agencies involved. In case of a non-viable unit, action is initiated for the recovery of dues.

The Board for Industrial and Financial Reconstruction (BIFR) assesses viability in respect of units covered under the provisions of Sick Industrial Companies (Special Provisions) Act, 1985 and recommends suitable measures for revival or otherwise.

Study group to work out suitable pattern of excise duty for cigarettes etc.

524. DR. BAPU KALDATE: Will the Minister of FINANCE be pleased to state:

(a) whether the study group appointed by Government to workout a suitable pattern of Central Excise Duty for cigarettes and other items submitted its report in August, 1988;

(b) if so, what are the details thereof; and

(c) whether the recommendations have been implemented; if not, what are the reasons therefor ?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI): (a) to (c) Two study groups were constituted out of the members of the Consultative Committee of the Ministry of Finance to suggest measures for rationalisation and simplification of tax laws, both direct and indirect. The group on indirect taxes submitted its report to the Consultative Committee on the 1st August, 1988. The group, in one of its recommendations, recommended a combination of specific-cum-*ad valorem* duties rather than purely specific duties. The recommendation was a general one and was not confined to cigarettes alone. The group placed its report before the Consultative Committee and the Committee recommended that specific rates of duties should be preferred over the *ad valorem* rates and that these rates should be reviewed periodically. The Committee was informed that the suggestion had been noted and that, in fact, review of specific rates of duties had been carried out in the budget 1989-90.

Ancillary units attached to Visakhapatnam Steel Plant

525. DR. YELAMANCHILI SIVAJI: Will the Minister of STEEL AND MINES be pleased to state:

(a) the number of ancillary units registered and attached to Visakhapatnam Steel Plant; what items do they produce; and

(b) whether any application is pending for awarding ancillary status; if so, what are the details thereof ?

THE MINISTER OF STEEL AND MINES WITH ADDITIONAL CHARGE OF THE MINISTRY OF LAW AND JUSTICE (SHRI DINESH GOSWAMI): (a) Nil.

(b) Certain requests have been made to VSP for ancillary status for the manufacture and supply of Lancing Pipes, Casting Powder Desulphurisation Compound and Carbon Brushes.